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U.S. cites Japan on trade

Autos not listed, but threat remains

By Diana T. Kurylko
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — Autos were not on a hit list of unfair trade barriers as the Bush administration targeted Japan, Brazil and India for talks to open up their markets.

But that does not mean autos will not be used later to retaliate if those negotiations fail.

Minivans as hostages? Page 60

In labeling the three countries unfair traders under the 1988 Trade Act, the move triggers a section known as Super 301, which requires the administration to negotiate with the countries to remove trade barriers within 12 to 18 months.

If negotiations are unsuccessful, the law requires some sort of retaliation, including tariffs of up to 100 percent. And even though cars aren't targeted, auto importers are worried.

"There are long-term implications for the auto industry, because if the 301 practices are not resolved, ultimately, (the matter) could go to retaliation and then autos are a possible target," said a government affairs spokeswoman for Honda.

Among the targeted areas are supercomputers, forest products and satellites for Japan; import restrictions and licensing in Brazil; and trade-related investments and insurance in India.

The president also ordered negotiations to discuss structural problems that U.S. automakers have complained are bigger impediments than barriers: Japanese pricing practices, a distribution system that excludes foreign-made products, anti-competitive practices like bid-rigging and the high Japanese savings rate.

Hills

How the administration deals with those "invisible barriers" could have more important implications for the domestic auto industry than the 301 negotiations. Chrysler Corp. has been an outspoken critic of Japan's distribution system and has demanded that Carla Hills, the U.S. Trade Representative, take reprisals against Japan.

In an April filing with Hills,

see TRADE, page 60

AUTOMOTIVE NEWS/LANCE GRAVES

Refunds average more than $2,000 on Scorpio, left, and $10,000 on Allante

Costly trade-in guarantees

Up to $13,000 per Allante; thousands on Scorpio

By David Versical
AUTOMOTIVE NEWS STAFF REPORTER

Cadillac and Lincoln-Mercury are doling out thousands of dollars to trade-in customers as a result of guarantees that pit the used-car prices of Merkur Scorpio and Cadillac Allante against Mercedes-Benz models.

Owners of 1987 Cadillac Allantes have been collecting as much as $13,000 when trading for another Cadillac. Lincoln-Mercury, meanwhile, this month began paying trade-in rebates averaging $2,000 to $2,500 to Scorpio owners who purchase 1989-model Lincolns or Mercurys.

Both programs were designed to establish Allante and Scorpio in the highly competitive luxury-car segment. Scorpio, which today lists for $25,052, was compared to the Mercedes 190E because that car was viewed as the benchmark of the class. Cadillac says it picked the Mercedes 560SL for its program because the German roadster was the only car comparable to the $57,183 Allante.

Audi of America has a similar guaranteed trade-in plan that consumers will be able to take advantage of this fall, two years after the launch of its 1988 models. Audi's formula compares trade-in values to a handful of European competitors.

At this point, Cadillac, Lincoln-Mercury and their dealers are shrugging off the suggestion that the mismatched trade-in values will tarnish the prestige of either make. Instead, they are calling the programs, as costly as they might be, successful.

Yet sales of both models continue to drop, despite discounting at the dealership level.

When Scorpio was launched as a 1988 model two years ago this month, L-M said it

see TRADE-IN, page 57

Jeep-Eagle CSI threatens Chrysler boast

By Mary Connelly
AUTOMOTIVE NEWS STAFF REPORTER

HIGHLAND PARK, Mich. — Nearly two years after Chrysler Corp. purchased American Motors, it still hasn't entirely fixed one AMC defect: poor customer satisfaction.

That could undermine Chrysler's two-year hold on its crown as the No. 1 domestic carmaker in customer satisfaction.

Chrysler in 1988 turned its CSI title into a multimillion-dollar national advertising campaign in which Chrysler Chairman Lee Iacocca proclaimed "Satisfaction is your right" and touted the company's CSI superiority over General Motors and Ford Motor Co.

Chrysler also used the CSI championship claim in its extensive $10 million "Car Buyer's Bill of Rights" campaign.

An industry source said GM was ranked No. 2 and Ford No. 3 in overall CSI among domestic carmakers in 1988, based on the widely used independent research of J.D. Power and Associates, Agoura Hills, Calif.

The stakes are high.

All vehicle makers are pressing for improved customer satisfaction. As product quality becomes comparable, companies with the best customer service will have the competitive edge.

Chrysler has made customer satisfaction a watchword of the 1990s. But when Chrysler purchased AMC in August 1987, it acquired a dealer network that historically had scored below average in satisfying buyers.

Chrysler turned the AMC dealer body into Jeep-Eagle Division. This is the first year Jeep-Eagle scores will be factored into Chrysler Motors' CSI ratings because 1988 was the first full year of Jeep-Eagle sales.

Chrysler projects that Jeep-Eagle's CSI scores will be comparable to those of Chrysler-Plymouth and Dodge divisions by year-end, according to Robert M. Williams, Jeep-Eagle dealer marketing manager. But another company source has suggested it will take several years.

Jeep-Eagle's CSI scores have been rising faster than those of Chrysler-Plymouth and Dodge in the company's own customer satisfaction index, he said. However, the latter two divisions continue to have higher CSI scores than Jeep-Eagle.

see CHRYSLER, page 57

3rd quarter auto production

1989 forecast vs. 1988 actual

	1989 Forecast	1988 Actual
GM	630,000	729,853
Ford	370,000	360,189
Chrysler	200,000	194,200
Nissan	31,000	30,897
Honda	89,000	88,656
Mazda	54,000	54,083
NUMMI	60,000	29,340
Diamond-Star	20,000	-
Toyota	35,000	-
VW	-	3,512
Total	**1,489,000**	**1,490,730**

AUTOMOTIVE NEWS/C. BEEVER

Production paced for rebates

By Kathy Boyer and Michelle Krebs
AUTOMOTIVE NEWS STAFF REPORTERS

DETROIT — Automakers appear poised for yet another summer of incentive-mania.

Third-quarter forecasts for auto production in the United States nearly match last summer's schedules, while domestic sales are 6 percent below last year's.

The Big 3 are scheduling production of about 1.2 million cars in the third quarter, about 100,000 fewer than they built in the third quarter of 1988. The reduction is due solely to cuts planned by General Motors; Ford Motor Co. and Chrysler Motors plan to produce more cars this year than last.

Hefty increases by the Japanese transplants will boost total U.S. car production schedules to nearly the same level as 1988's actual third-quarter output. Foreign-based automakers and their joint ventures are planning to build about 40 percent more cars in the United States than they did a year ago. They are scheduling about 290,000 units in the third quarter, up about 85,000 from last summer.

July downtime for changeover to 1990 model cars is a week to two weeks at most Big 3 plants, but longer shutdowns are planned for plants producing vehicles with extremely high inventories and where tooling is being installed for new models.

Detailed changeover schedule, Page 56

Even with the long downtime at those plants, industry analysts predict inventories will remain somewhat above desired levels through the summer.

That will force automakers to beef up in-

see PRODUCTION, page 56

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Opel van slated for U.S. sales Page 3

GM expands fix on fwd steering Page 6

Yugo plots recovery

Incentives sweetened; 20 people recalled

By Jim Henry
AUTOMOTIVE NEWS STAFF REPORTER

NEW YORK — Yugo America has beefed up its dealer incentives and recalled some laid-off workers, but Yugo's inventory remains high and some dealers have quit actively selling Yugos.

Dealer incentives can amount to a quarter of the retail price of a car. And one dealer liquidated inventory by selling off Yugos for less than $3,000 each.

Last week dealers said the company needs to double its current rate of sales to about 20,000 cars a year to break even.

Through the first four months of 1989, Yugo sold only 3,331 cars, giving it an annual sales rate of about 10,000 units. The company sold 31,546 units in calendar 1988 and 48,812 in 1987. It has received no new cars since December.

When Yugo America and its parent company filed for Chapter 11 bankruptcy protection Jan. 30, Yugo America had about 6,200 cars in its inventory, and its dealers had between 9,500 and 10,000.

Since the filing, Yugoslavian manufacturer Zavodi Crvena Zastava has covered all corporate expenses, including warranty claims, dealer incentives and product development for the long-awaited Yugo Cabriolet and other new models, said John A. Spiech, president and chief officer of Yugo America.

With Zastava's help, Yugo America, based in Upper Saddle River, N.J., has recalled more than 20 laid-off employees, chiefly in customer service and field representatives. Spiech said last week the staff numbers about 80.

A handful of Yugo's approximately 260 dealers have dropped the franchise since the Chapter 11 filing. Toyota-Ann Arbor, a Yugo dealer in Ann Arbor, Mich., recently sold its last seven Yugos at the fire-sale price of $2,995.

Spiech admitted last week that some dealers have remained on the books even though they have quit actively selling Yugos.

"A lot of 'em are waiting to see what we're going to do," said Spiech, a former Fiat executive and co-founder of the American distributor for Group Lotus plc who took over at Yugo after the bankruptcy filing. "Some dealers are waiting to do a termination or to sell out."

Spiech said last week that the company had sweetened its dealer incentives to try to build sales and overcome the reluctance of dealers with stagnant inventories to order new cars.

The company has been offering dealers $750 to $1,500 off the wholesale price of cars ordered from Yugo America's inventory, which amounted to a 197-day supply of cars as of May 1, down from 242 days on April 1.

The biggest discount was for the most expensive Yugo, the GVX, which has a manufacturer's suggested retail price of $5,699 plus $1,099 for air conditioning.

Under the new programs, dealers get an additional rebate of $800 if they sell two cars and order one from inventory. The one car from inventory also qualifies for the original discount.

Yugo America has been offering up to $1,500 per car in dealer incentives

A dealer could also pass up the rebate and elect to receive a "free" car from Yugo America. Five retail sales earn a free GVX; four retail sales, a free GV, the basic model with a sticker price of $4,349.

Craig Watkins, vice president of Hal Watkins Yugo-Chevrolet in Oxnard, Calif., said the initial dealer cash incentive didn't interest him because he had 38 Yugos on his lot. Watkins said he hasn't sold any since March.

"That's partly because I haven't been merchandising them. I need to get them sold. I'm tired of washing 'em," he said.

Watkins said the new programs and a session with Spiech last month in Los Angeles perked up his interest in Yugo, and he's planning to resume advertising.

Yugo America resumed national advertising last month in USA Today, reminding people that the Yugo is the lowest-priced car in America and has a 12-month, bumper-to-bumper warranty.

Yugo America was due to file a reorganization plan in U.S. Bankruptcy Court in Newark, N.J., by the end of this month. But last Monday the company obtained permission to postpone the deadline 90 days.

If Yugo America fails to file a plan of its own, it could become subject to a plan devised by its creditors, said Robert Baime, the attorney for Impex Car Corp., Zastava's agent in the United States.

Spiech said he would be visiting Yugoslavia this week to update Zastava on the status of the U.S. importer and distributor.

Baime said Spiech will discuss options for a reorganization plan, including future marketing efforts, new model introductions and satisfying Yugo's creditors.

Opel van slated for U.S. sale

Europe may edge Brazil as builder

By Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

FRANKFURT, West Germany — General Motors probably will go ahead with plans for a new Opel-engineered minivan that would be sold in both the United States and Europe, but the vehicle may not be produced in Brazil after all.

Instead, the minivan, which will be based on the next-generation Opel Kadett, would more likely be built in Portugal or Belgium, according to sources at Adam Opel AG.

But the company is still nervous that projected volume for the minivan isn't high enough.

The van is now scheduled to debut in late 1992 or early 1993. Company officials would like annual production of at least 125,000 units, with the bulk sold in the United States by Pontiac. GM marketing executives currently plan on only 60,000 U.S. sales by Pontiac and 25,000 in Europe, which is deemed marginal volume for the investment.

"We're still thinking about whether it is financially viable," said the source. He added, "It is not 100 percent signed off yet, but it looks like it is going to go forward."

In 1987, GM pulled the project out of limbo when it was tentatively decided to build the van in Brazil. But changes in the Brazilian economy, which is wracked by runaway inflation, have reopened the sourcing question. Meanwhile, conditions in Europe have put plants here in the running.

"It is still open about where to build it," said the Opel official. "Brazil is not as attractive as it was a year or so ago. One of the problems is that inflation is so high that we can't be comfortable with it. It makes the whole source kind of iffy."

He conceded that the odds are now probably against the project going to Brazil, but said that op-

see VAN, page 55

Honda shuffles executives as Chino retires

By Jesse Snyder
AUTOMOTIVE NEWS STAFF REPORTER

LOS ANGELES — Honda North America President Tetsuo Chino, the man who shaped Honda's U.S. presence in the 1980s, is giving up his U.S. and Japanese posts to become a fulltime adviser to the company.

He will be replaced by Yoshihide Munekuni, 50, president of American Honda.

Chino, 57, will retire as president of Honda North America, chairman of American Honda Motor Co.

Munekuni

Kawamoto

and senior managing director of Honda Motor Co. when a list of management changes is approved at the June 29 Honda board meeting in Tokyo. Also on that list is the elevation of two key executives, Shoichiro Irimajiri, 48, and Nobuhiko Kawamoto, 53, to senior managing director posts at the parent company, Honda Motor Co. in Japan.

Munekuni will relocate to Tokyo in his position as head of Honda North America, which is the parent company for all 14 Honda subsidiaries in the United States, Canada and Mexico. Munekuni, who has been president of American Honda for the last two years, will also become a senior managing director of Honda Motor Co.

Koichi Amemiya, 48, who has been executive vice president of American Honda, will move up to president, replacing Munekuni.

Irimajiri, who moves up from his managing director role at Honda, is best known in the United States as the former president of Honda American Manufacturing in Marysville, Ohio, where he served until 1987

see HONDA, page 60

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Property tiff clouds Bricklin's Denver plans

By Charles M. Thomas
AUTOMOTIVE NEWS STAFF REPORTER

Malcolm Bricklin, the seemingly unsinkable entrepreneur who brought the Yugo and Subaru to the United States, said he is mortgaging the ranch to raise capital to acquire 27 dealerships in the Denver area by mid-August.

There's only one slight glitch. The Meeker, Colo., ranch he said he has mortgaged is in foreclosure.

Still, Bricklin is undaunted. "It is not in foreclosure," he maintains. "There is a counterclaim filed over the mineral and water rights."

But John Thulson, attorney for Milliken Land and Cattle Corp., which sold the ranch to Bricklin, characterized it differently, asserting the ranch is indeed in foreclosure. Proceedings began in March in Rio Blanco District Court, according to court documents obtained by Automotive News.

Bricklin says he mortgaged his Colorado ranch to raise capital to acquire dealerships. Others say the ranch is in foreclosure.

"We want Bricklin to pay the balance of the note or we want the property back," Thulson said. "Bricklin's counterclaim of fraud is a stall tactic."

Bricklin purchased the $1.8 million ranch in 1986 but still owes $1.5 million on the property, according to court documents. The complaint filed by Milliken Land and Cattle Corp. said Bricklin failed to make a payment that was due last December.

Under the agreement, the former owners can ask for acceleration of payments — the entire balance on demand — which they have done.

Meanwhile, Bricklin shrugs it all off, saying he will pay what is owed on the note as soon as his counterclaim over water rights is settled.

His counterclaim contends he was defrauded of water and mineral rights that were promised him by the former owners.

He said the dispute over the water and mineral rights will affect the price he agreed to pay for the property.

This imbroglio is the most recent of Bricklin's financial woes.

Automotive News reported in February that he owed $131,000 in overdue income taxes for 1986, a local bank seized his helicopter for defaulting on payments, and some of the other properties he owns are involved in foreclosure or other litigation.

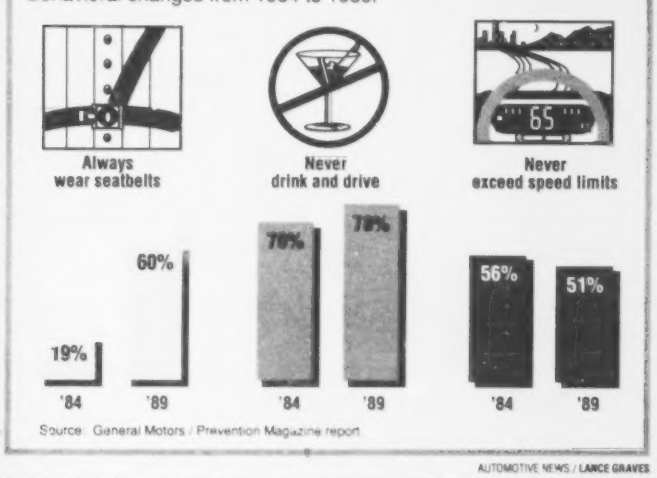
Also, a number of local businessmen have sued him for nonpayment for their services. The Colorado Department of Revenue says he owes $58,000 in unpaid individual income taxes for 1987.

On yet another front, Bricklin said he has scrapped plans to raise $2 billion through the sale of junk bonds as part of a larger plan to purchase 1,000 car dealerships nationwide.

Bricklin now says he will pay for the Denver dealerships out of their earnings, essentially a form of seller-financing.

Bricklin said he plans to use capital raised from the mortgage of the ranch to install in those dealerships his own computer systems and a "closing booth," which uses three-dimensional special effects to make sales to customers.

U.S. drivers and safety



AUTOMOTIVE NEWS / LANCE GRAVES

Drivers drink less, speed more

By Michelle Krebs
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — Americans use seat belts more frequently than they did five years ago, drink and drive less, but they break the speed limit more often, according to a survey on auto safety.

The telephone survey of 1,250 persons was conducted last November by Louis Harris & Associates for General Motors and Prevention Magazine. The automaker and the magazine conducted the survey to document progress in automotive safety and pinpoint areas for improvement.

The survey showed that 60 percent of those surveyed said they always wear a seat belt when sitting on the front seat. A similar survey conducted in 1984 showed only 19 percent said they always buckled up.

Seat-belt usage is highest in the West. Westerners report regular seat-belt use, far greater than those surveyed in the Midwest and South. But in the past five years, the biggest gains in seat-belt use came in the Midwest. The East registered the smallest gains.

Seat-belt usage is higher among persons with a college education and high household income (above $50,000 annually), according to the study. Age is not a factor in seat-belt use.

In contrast to the 1984 survey, the recent survey shows women use seat belts more frequently than men. The rate of seat-belt usage among women is rising more rapidly than the rate of seat-belt use by men.

Usage rates in states with mandatory seat-belt laws are significantly higher than states without such laws. The survey found that 71 percent of those surveyed support mandatory seat-belt laws.

The survey showed that 51 percent said they never exceed the speed limit. That compares with 56 percent who made the same claim in 1984. The study calls that a small but significant slide.

The West had the highest number of persons who admitted speeding, followed closely by the East. Conversely, the South had the lowest percentage of persons who admitted speeding, followed by the Midwest.

Women, people over 50 years of age and those without a college education are most likely to obey a speed limit, the survey shows.

Seventy-eight percent of drivers surveyed said they never drive after drinking, compared with 70 percent in the 1984 survey. The decline in the incidence of drinking and driving is significant, the study said, because alcohol is believed to be a factor in at least 50 percent of fatal accidents.

Women, people over 50 and those living in the South or in rural areas have the best record for not driving after drinking, the survey said. People with a college education and high household incomes are the most likely to drive when they have been drinking.

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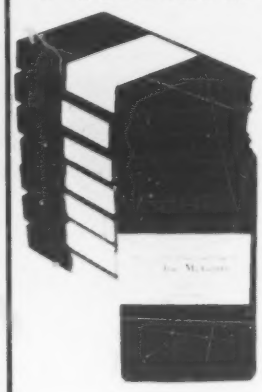

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Optimistic Laforza adds 2,000 to U.S. sales estimate for 1990

By Jesse Snyder
AUTOMOTIVE NEWS STAFF REPORTER

LOS ANGELES — Laforza Automobiles has sold only five $43,850 luxury touring vehicles and delivered the first 60 to dealers, but executives of the company are so encouraged they've raised the 1990 sales projection by 2,000.

"We should sell about 1,500 to 2,000 units in calendar 1989, but I'm very optimistic about 1990," said Robert Oliver, Laforza chairman. "I think we can sell 4,000 to 5,000 units." Previous estimates for 1990 were 2,000 to 3,000.

Laforza Automobiles is based in Hayward, Calif.

Oliver said Laforza's complicated, two-continent assembly line will be up to nine or 10 units a day by June 1, with about 40 initial dealers getting shipments of four to eight units a month by the end of June. Production of the body and rolling chassis started in January at the Pininfarina plant in Turin, Italy, and installation of the engine and drivetrain began in March at C&C Inc. in Brighton, Mich.

Initial public and dealer reception is very strong, Oliver said. He said Laforza is encouraging dealers to save at least one vehicle in showrooms for display.

Laforza's beefy construction is derived from an off-road multipurpose vehicle originally designed for the Italian military by Rayton-Fissore, an Italian coachbuilder. The chassis is a box/ladder type, and the body has a separate space frame with steel body panels.

It has been extensively revised for the U.S. market, first by adding a 5-liter Ford V-8 engine and drivetrain, then by upgrading the luxury interior after Laforza bought the marketing rights from Rayton-Fissore and moved the Italian portion of the construction to Pininfarina.

The engine is tuned for low-end torque instead of horsepower, in keeping with Laforza's 8,000-pound towing capacity. It develops 185 horsepower at 3,800 rpm and 270 pounds-feet of torque at 2,400 rpm.

Laforza sales begin; tag is $43,850

The standard four-speed automatic overdrive transmission also is built by Ford. It is linked to a four-wheel-drive transfer case built by Chrysler Acustar's New Process Gear unit and can be shifted into 4wd while the vehicle is moving.

The suspension uses independent, double-wishbones with a stabilizer bar and torsion bars in front and a full-floating beam axle and five-leaf springs in the rear.

Laforza's wheelbase is 106.2 inches, overall length is 179.9 inches and width is 78.7 inches. Height is 72.6 inches, which is garageable. Minimum ground clearance is 6.75 inches and curb weight is 5,250 pounds.

The vehicle has front disk and rear drum brakes and power rack and pinion steering.

The front seats are leather, with six-way power adjustment. The leather rear bench seat is molded for three passengers. Because the rear seat is mounted in front of the rear wheel wells, it has 65 inches of hiproom and 62 inches of shoulder room. Rear legroom is 38 inches.

The rear seat folds down and can be flipped forward or removed for extra cargo space. With the full-sized spare tire in the rear, cargo space ranges from 40.5 cubic feet with the rear seat in place to 96 cubic feet with the seat removed.

Standard equipment includes air conditioning with rear vents; power moonroof; cruise control; tilt steering wheel; leather seats, instrument panel, console and door panels; power seats, steering, brakes, door locks and outside heated mirrors; tinted glass; rear defroster with wiper and washer; full analog gauges including tachometer; and foglights. The only option is a dealer-installed compact disc player.

April truck sales by manufacturer and segment

		14,000 & LESS GVW CLASS 1-3	14,001-16,000 GVW CLASS 4	16,001-19,500 GVW CLASS 5	19,501-26,000 GVW CLASS 6	26,001-33,000 GVW CLASS 7	33,001 & OVER GVW CLASS 8	TOTAL 1989	TOTAL 1988
CHRYSLER-PLYMOUTH	MO	17,224						17,224	17,606
	YR	61,746						61,746	61,673
DODGE	MO	51,215						51,215	53,264
	YR	188,787						188,787	198,892
JEEP	MO	20,810						20,180	20,019
	YR	77,363						77,368	79,049
TOYOTA	MO	21,131						21,131	19,406
	YR	70,787						70,787	77,134
NISSAN	MO	11,085						11,085	13,918
	YR	57,159						57,159	55,606
MAZDA	MO	7,307						7,307	8,522
	YR	28,811						28,811	35,513
ISUZU	MO	7,817						7,817	5,734
	YR	29,629						29,629	24,861
MITSUBISHI	MO	2,734						2,734	4,146
	YR	12,044						12,044	17,110
SUZUKI	MO	1,562						1,562	6,165
	YR	9,068						9,068	22,948
RANGE ROVER	MO	408						408	248
	YR	1,599						1,599	1,145
FORD	MO	124,840	2,289		890	2,741	1,498	132,258	129,503
	YR	464,694	9,100		3,075	10,821	5,044	492,734	516,499
FREIGHTLINER	MO						2,105	2,105	2,080
	YR						8,117	8,117	8,087
CHEVROLET	MO	118,295		20	407	840		119,562	108,548
	YR	421,231		74	2,072	2,904		426,281	442,937
GMC	MO	31,700		47	546	1,080		33,373	30,812
	YR	114,470		1,152	1,741	4,205		121,568	127,094
KENWORTH	MO					23	1,564	1,587	1,582
	YR					147	5,864	6,011	5,185
MACK	MO				150	200	2,006	2,356	2,328
	YR				758	1,010	6,487	8,255	7,350
MERCEDES	MO				117	94		211	245
	YR				289	384		673	961
NAVISTAR	MO		7	14	1,397	3,629	3,389	8,436	7,496
	YR		58	45	4,896	10,243	11,327	26,569	28,475
PETERBILT	MC					26	1,359	1,385	1,451
	YR					213	5,387	5,600	5,007
VOLVO	MO					75	1,402	1,477	1,188
	YR					325	5,436	5,761	4,557
HINO	MO	15		15	20	68		118	129
	YR	79		135	150	347		711	681
NISSAN DIESEL	MO	32		45	27	43		147	148
	YR	156		281	118	253		808	737
ISUZU TRUCK	MO	433	33	21	35	52		574	747
	YR	2,091	212	48	322	195		2,868	2,372
MITSUBISHI FUSO	MO	97		31	15	32		175	201
	YR	608		217	105	201		1,131	713
SCANIA	MO						3	3	13
	YR						20	20	61
IVECO TRUCKS	MO	86	40	11	13			150	270
	YR	359	184	90	42			675	702
WESTERN STAR	MO						142	142	104
	YR						501	501	562
OTHER DOMESTICS	MO				0	36	78	114	80
	YR				5	116	232	353	284
GRAND TOTAL	MO	416,791	2,369	204	3,617	8,939	13,546	445,466	436,117
	YR	1,540,686	9,554	2,042	13,573	31,364	48,415	1,645,634	1,726,230
1988 YR to DATE		1,617,331	5,738	2,714	26,787	34,589	45,091		

NOTE: April 1988 includes 2 Subaru Brats. YTD includes 7 Subaru Brats.

April truck sales rise

But 4-month total is 4% below '88 count

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

Truck sales in the United States rose during April, propped up by incentive programs.

But sales for the first four months trailed last year's, and the prospect of a 5 percent downturn this year continues to be realistic.

During April, light-duty Class 1-3 sales rebounded slightly. Medium Class 4 and heavy Class 8 sales remained strong.

Other segments recorded varying degrees of declines.

Overall, the industry retailed 445,466 trucks in April, 2.14 percent more than last year's 436,117.

For four months of this year, sales of 1,645,634 trailed last year's 1,726,230 by 4.67 percent.

Class 4, which has been a powerhouse, is beginning to show signs of a slowdown.

Class 4 April sales of 2,369 were up 12.92 percent. For four months, the segment's sales of 9,554 showed a 66.50 percent gain over 5,738 last year.

Class 5 sales dropped 79.24 percent in April, due mainly to a sharp falloff at GMC Truck.

Sales of 204 units were down from 1,002 last year. GMC, the major player in Class 5, saw its sales drop to 47 units in April from 742 last year.

GMC suffered sharp declines in its Class 6 and 7 sales as well, as many major fleet buyers are holding off purchasing General Motors vehicles until its all-new medium-duty models are introduced this fall.

For the first four months of 1989, Class 5 sales of 2,042 trucks throughout the industry were off 24.76 percent from 2,714 last year.

Class 6 sales also dipped sharply in April. They were down 32.76 percent on deliveries of 3,617 trucks compared to 5,379 last year. Indicative of its impact on that segment, GMC's sales of 546 trucks in Class 6 were only about one-third of last year's 1,556.

For four months, Class 6 sales of 13,573 trucks were off 34.70 percent from 20,787 a year ago.

Class 7 sales of 8,939 were off 4.04 percent in April from 9,315 last year. For four months, Class 7 sales of 31,364 were off 9.27 percent from 34,569 a year ago.

Class 8 continued strong. Sales of 13,546 in April were up 5.79 percent from 12,805 a year ago.

Four-month sales of 48,415 were up 7.37 percent from 45,091 a year earlier.

TRUCK BRIEFS

Oshkosh adds 5 chassis

OSHKOSH, Wis. — Oshkosh Truck Corp.'s chassis division introduced five walk-in van truck chassis models.

The chassis were designed specifically for pick-up and delivery markets and will accommodate all makes of van bodies.

Oshkosh has had about 100 prototype units in operation during the past year.

The models are rated at 10,000, 12,000, 14,000, 16,000 and 18,000 pounds GVW and are available in a variety of wheelbases.

The 10,000- and 12,000-pound GVW chassis are powered by a Cummins 4BT 3.9-liter, 105-horsepower diesel engine, coupled to a Borg-Warner T19A four-speed manual transmission.

The higher-GVW models are powered by a Cummins 6BT 5.9-liter, 160-hp engine, coupled to the Allison AT 542 four-speed automatic transmission. Standard equipment includes four-wheel disc brakes, power steering and heavy-duty truck-type I-beam front axle.

Ratios are initially adjustable through a computer-controlled actuator. In the future, the company plans to include a fully integrated electronic interface to adjust them.

The company hopes to license its technology to manufacturers and develop products for specific applications through joint agreements.

Variable transmission

LOS GATOS, Calif. — Epilogics Inc. installed the first infinitely variable transmission in a Class VII diesel tractor to demonstrate its potential use in commercial and other kinds of vehicles.

Viking Freight System provided a Navistar 1955-series truck for the prototype installation to demonstrate its applicability in high-torque use.

The Epilogics transmission is completely hard-geared. It uses no belts, pulleys, friction clutches or cone gears. All gears are constantly engaged.

The company said it does not require any disengagement mechanism or friction devices such as clutches or fluid couplings.

Freightliner posts loss

NEW YORK — Freightliner Corp. lost 25 million marks ($12.7 million U.S.) on its 1988 operations, according to a report by Deutsche Bank Group of New York.

The Portland, Ore.-based truck manufacturing subsidiary of West Germany's Daimler-Benz AG blamed its losses on Class 8 model changes, according to "The Global Market for Trucks and Truck Components."

The 100-page report was compiled by Deutsche Bank financial analysts in New York, London, Tokyo and Frankfurt, West Germany.

Deere acquisition

MOLINE, Ill. — Deere & Co. reached a definitive agreement with Cooper Industries of Houston to purchase Cooper's Funk Manufacturing Co. subsidiary.

Terms of the transaction were not disclosed.

Funk Manufacturing of Coffeyville, Kan., produces power transmissions, pump drives and other products for off-highway vehicles for construction and related markets. Its 1988 revenue was $50 million.

Robert A. Hanson, Deere chairman, said the acquisition enables Deere to offer an integrated engine and transmission package for use in a variety of off-highway applications, such as construction, forestry and mining.

SERVICE MANAGEMENT

Ford links sales goals to new diagnostic system

By Jack Keebler
AUTOMOTIVE NEWS STAFF REPORTER

DEARBORN, Mich. — "It's the very cornerstone of our future success," said Leonard Tedesco, Ford Motor Co.'s supervisor of service systems design, about the company's new computerized Service Bay Diagnostic System.

Service bay equipment that helps fix cars quickly — without customers returning with complaints — has been taking on greater importance to automakers, Tedesco said. "As technical gaps shrink and vehicles become more complicated, service is becoming a key variable in building market share," he said.

The Ford diagnostic system is similar in concept and function to General Motors' Computerized Automotive Maintenance System and Chrysler Motors' Service Bay System.

Like the GM and Chrysler systems, Ford's is also a personal-computer-based diagnostic unit. But unlike the others, which use an IBM computer, Ford went to Hewlett-Packard for its hardware. Massive amounts of information storage are provided by compact laser discs used by the Hewlett-Packard

Ford's new Service Bay Diagnostic System

units. One laser disc is equivalent in storage capacity to 1,500 floppy discs.

But along with the Ford system's increased sophistication comes a premium price. And that could mean a delay in implementation if dealers balk.

Ford's service-system experts said the machine may cost "just under $30,000," though the final price could be less. The GM system costs $17,879. A price has not been established for Chrysler's diagnostic unit but it is expected to be considerably less than Ford's.

Current plans call for 10 prototype units to be in place at top dealerships by March 1990. By July 1990, 30 units will be on-line. Eventually, about 1,500 Ford and Lincoln-Mercury dealerships, which sell about 70 percent of the automaker's cars, will have the units. There are 5,427 Ford Motor Co. car dealerships.

The purpose of the unit is to provide state-of-the-art diagnostic tools, technical information and expert guidance for shop technicians. Ford describes the computer's toolbox of sophisticated instruments as a diagnostic arsenal. The arsenal includes 27 standard and specialized measurement instruments, such as a vacuum/pressure meter, tachometer, temperature probe, diode tester, fuel pump and injector flow tester and frequency meter.

Other technical goodies include a portable vehicle analyzer and what Tedesco calls a "flight recorder." The portable vehicle analyzer is a car-battery-sized diagnostic unit that pops out of the console and goes along on road tests to analyze EEC-IV vehicle computer gremlins that pop up only when driving. The "flight recorder" is a simple, low-cost data collector for intermittent problems. To use it, the driver pushes a button when the problem occurs. The recorder then reads and stores important engine data before, during and after the incident.

The recorder is then returned to the shop and plugged into the diagnostic unit for problem recognition and diagnosis.

The second function of the system is to provide the latest in technical service information. Using the laser disc information storage system and a 14-inch color monitor, it displays service manuals, technical specifications, wiring diagrams, technical service bulletins and access to Ford's On-line Automotive Service Information System. Technicians can print text or graphics from the screen using a built-in printer.

The third purpose of the computer-driven system is to provide guided diagnostics. That will help the technician make an accurate diagnosis by letting the computer interpret specific vehicle data and recommend appropriate service procedures.

Customer follow-up calls rise

By Francis Gawronski
AUTOMOTIVE NEWS STAFF REPORTER

AGOURA HILLS, Calif. — The number of customer follow-up contacts by new-car dealers has been rising during the past five years, according to The Power Report.

In 1984, the first year the publication tracked dealers' follow-up calls, only 13 percent of the respondents who had repair work done said someone from the service department had contacted them after the visit.

"This number doubled in 1988 to 28 percent of the general service customers reporting that they had been contacted following a service visit," said Linda Hirneise, account director with The Power Report, Agoura Hills, Calif.

The publication's 1988 customer satisfaction index for product quality and service data shows that while contact calls have increased over the years, Audi is the only nameplate that contacts more than half its service customers. Audi dealers contact 56 percent, up 11 percentage points from 1987.

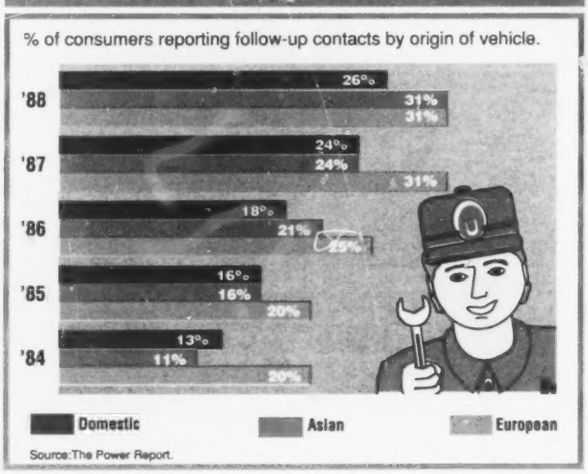
The publication said many of the nameplates showing improvements in service follow-up calls also improved their standings on the overall CSI.

Porsche dealers were second to Audi dealers in the 1988 study, with more than 42 percent of Porsche owners surveyed receiving follow-up contacts, an improvement of 7 percentage points over 1987. Third place was held by Mercedes-Benz at 39 percent, up from 34 percent in 1987.

The top domestics on the list were Lincoln, in seventh place at 35 percent, compared with 30 percent in 1987; and Mercury, ranked eighth at 34 percent, compared with 30 percent in 1987.

Merkur's score was 33 percent, up 5 percentage points from the year before. Buick and Cadillac also were at 33 percent, up 6 percentage points from 1987.

Service follow-up increases



AUTOMOTIVE NEWS / LANCE DRAVES

Shop business slips in March; year is up

By Francis J. Gawronski
AUTOMOTIVE NEWS STAFF REPORTER

Service and parts business at new-car dealerships dropped slightly in March, but volume for the first three months of 1989 was above last year's.

In March, shop volume dipped 1.7 percent compared with March 1988 and was 3.6 percent below February 1989, according to the Automotive News Service Index. The index is compiled from figures on parts and service operations supplied by a cross-section of dealerships throughout the United States.

Year-to-date shop volume was 0.7 percent ahead of 1988's first quarter.

Repair orders written in March declined 6.3 percent from March 1988, and first-quarter orders were down 3.6 percent from last year's.

Despite the drops, gross profit on all labor, parts and accessories sales — the most important indicator from the dealers' viewpoint — increased 3.8 percent in March and 2.4 percent for January-March.

Total labor sales (customer-paid and warranty) climbed 5.5 percent in March, while shop parts sales (customer-paid and warranty) were up 0.4 percent for the month. For the first quarter, labor sales rose 3.8 percent, and sales of shop parts increased 3.7 percent.

Sales of all parts and accessories declined 7.8 percent in March and 1.8 percent for the first three months of 1989.

SERVICE INDEX 98.3*

	March '89 vs. March '88	3 mos. '89 vs. 3 mos. '88
Gross Profit on All Labor and P&A Sales	+3.8%	+2.4%
Repair Orders Written	−6.3%	−3.6%
Total Labor Sales (Customer & Warranty)	+5.5%	+3.8%
Shop Parts Sales (Customer & Warranty)	+0.4%	+3.7%
Sales of All P&A	−7.8%	−1.8%

* Survey by Automotive News shows that dealers' service and parts business in March 1989 was 98.3 percent of business in March 1988. Service business in the first 3 months of 1989 was 100.7 percent of business in the corresponding period in 1988.

Miskowski goal: best

He wants Ford service to lead industry

By David Versical
AUTOMOTIVE NEWS STAFF REPORTER

DEARBORN, Mich. — It was a case that any script writer would have relished.

Someone had botched an international communique by violating a corporate procedure. A head was ready to roll.

Lieutenants within Ford's parts and service division dutifully delivered the bad news about the blown procedure to Lee Miskowski, who was expected to swing the ax.

Miskowski

But Miskowski surprised anyone who expected bloodshed. Four years later, his response in that tense situation is still remembered as a symbol of his management style.

"OK, that's history," he said at that time. "How do we recover?"

Miskowski, now head of parts and service, shrugs off mention of the anecdote. It simply reflects his belief that head hunting is a waste of time, he says. One worker's problem, he adds, is everyone's problem.

Miskowski, 57, would have been forgiven if he had looked back when he took over the reins in January. His predecessor, Joe Kordick, was the closest thing to a celebrity the division has ever had. At age 57, Kordick left Ford to help terminally ill cancer and AIDs patients. It was a retirement as unconventional as his leadership.

Miskowski said he isn't fazed by the prospect of filling Kordick's shoes. After all, he pointed out, he's no stranger to the division. He worked five years as the division's national service development manager. In early 1988, he was appointed to the No. 2 position under Kordick, general sales and marketing manager. And he was Ford of Europe's vice president of parts operations in the late 1970s.

He plans to keep some of Kordick's traditions while charting an agenda of his own. Like Kordick, Miskowski will keep his door open. Employees will get a phone call on noteworthy anniversaries with the company. And while he may not be out "hugging" dealers, as Kordick used to say, Miskowski plans to meet them as often as he can.

Kordick helped put those and similar elements of the division's culture in place. Miskowski will be left with the dirty work of tending to the nuts and bolts of the system. The ultimate goal is to make Ford and Lincoln-Mercury dealerships the world's best providers of service by the early 1990s, he said.

Ford's technical training program will be remapped, Miskowski said. It will emphasize longer, in-depth, hands-on training instead of the day-long "quickies."

A combined program among parts and service and Ford's two sales divisions — Partners in Customer Satisfaction — says that any time a dealer comes in contact with the customer is a moment of truth for the company.

One element of parts and service's plan will be to create a central phone system that will handle calls from across the country. It will be similar to the customer assistance center used by General Electric Co.

In many cases, a dispute will go back to dealers for resolution, Miskowski said. But the center will be able to intercede when a customer and dealer can't work it out.

"We want to be as close to 100 percent accessible as we can be," he said. Although the phone system won't be open around the clock, like GE's service, it will at least be available throughout the day in each region of the country.

The program — already being tested in certain regions — will be tied to parts and service's move to another building late this year or early next year, Miskowski said.

The division is scheduled to vacate the historic former Ford administration building on Schaefer Road here and move to the building currently occupied by Ford Motor Credit Co., adjacent to world headquarters.

U.S. AUTOMOTIVE TRADE BY QUANTITY

Passenger cars

Country	Trade	Feb. 1988	Feb. 1989	March 1987-Feb. 1988	March 1988-Feb. 1989
Japan	Export	805	1,729	5,736	23,614
	Import	156,798	170,600	2,387,338	2,115,312
Canada	Export	60,095	35,943	571,008	578,113
	Import	107,303	112,382	951,632	1,191,395
West Germany	Import	23,193	20,537	363,171	256,262
South Korea	Import	45,432	31,894	456,289	429,953
Sweden	Import	5,357	10,979	128,505	117,263
Mexico	Import	12,931	13,710	139,208	141,040
Yugoslavia	Import	6,057	2,327	55,848	20,212
United Kingdom	Import	3,105	3,237	48,562	31,715
Italy	Import	1,057	640	9,080	5,412
France	Import	749	539	21,804	16,255
Brazil	Import	5,678	3,261	58,597	54,993
Others	Export	7,912	11,327	74,353	145,990
	Import	1,570	2,479	20,240	18,756
Car total	Export	68,812	48,999	651,097	747,717
	Import	369,230	372,585	4,640,302	4,398,568
TRADE BALANCE		(300,418)	(323,586)	(3,989,205)	(3,650,851)

Light trucks (up to 10,000 lbs. GVW)

Canada	Export	16,467	16,074	166,969	154,281
	Import	27,035	39,622	203,916	333,826
Japan	Import	46,084	38,066	719,796	528,971
Mexico	Import	1	0	8,777	28
Others	Export	1,158	1,441	18,349	31,719
	Import	20	0	642	5,954
Truck total	Export	17,625	17,515	185,319	186,000
	Import	73,140	77,688	933,131	868,779
Trade balance		(55,515)	(60,173)	(747,812)	(682,779)
Car and truck total	Export	86,437	66,514	836,416	933,717
	Import	442,370	450,273	5,573,433	5,267,347
TRADE BALANCE		(355,933)	(383,759)	(4,737,017)	(4,333,630)

Compiled by Automotive News from official statistics of the U.S. Commerce Department, as reported by the U.S. International Trade Commission. Because of rounding, figures may not add to the totals shown.

U.S. AUTOMOTIVE TRADE BY VALUE

(x $1,000)

Passenger cars

Country	Trade	Feb. 1988	Feb. 1989	March 1987-Feb. 1988	March 1988-Feb. 1989
Japan	Export	$ 19,087	$ 25,195	$ 88,380	$ 297,356
	Import	1,437,244	1,642,611	21,223,809	19,938,511
Canada	Export	599,465	434,780	5,876,643	5,984,779
	Import	1,171,462	1,252,188	10,383,797	13,306,998
West Germany	Import	540,769	478,998	8,700,263	6,228,351
South Korea	Import	247,685	185,972	2,364,961	2,397,451
Sweden	Import	83,705	171,959	1,840,277	1,856,061
Mexico	Import	110,035	118,196	1,267,729	1,217,950
Yugoslavia	Import	15,645	6,928	142,907	55,646
United Kingdom	Import	85,144	97,627	1,190,383	955,915
Italy	Import	19,474	17,416	189,679	147,997
France	Import	10,540	6,347	214,513	171,511
Brazil	Import	31,833	19,602	297,513	320,443
Others	Export	100,018	150,044	994,752	1,843,516
	Import	26,210	30,479	311,195	291,056
Car total	Export	712,570	610,019	6,959,776	8,125,651
	Import	3,779,727	4,028,324	48,126,796	46,887,910
Trade balance		(3,067,157)	(3,418,305)	(41,167,020)	(38,762,259)

Light trucks (up to 10,000 lbs. GVW)

Canada	Export	$ 161,854	$ 179,950	$ 1,637,815	$ 1,594,502
	Import	310,371	504,296	2,007,563	3,819,708
Japan	Import	261,748	240,396	3,996,753	3,190,611
Mexico	Import	151	54	71,122	2,978
Others	Export	13,293	19,036	230,284	389,879
	Import	12,094	6,119	83,461	140,066
Truck total	Export	175,147	198,986	1,868,099	1,984,381
	Import	584,365	750,875	6,158,898	7,153,363
Trade balance		(409,218)	(551,889)	(4,290,799)	(5,168,982)
Car and truck total	Export	887,717	809,005	8,827,875	10,110,032
	Import	4,364,092	4,779,199	54,285,694	54,041,273
VEHICLE TRADE BALANCE		(3,476,375)	(3,970,194)	(45,457,819)	(43,931,241
TOTAL U.S. Merchandise trade (customs value)	Export	24,518,300	28,905,300	285,400,100	330,736,700
	Import	37,729,000	39,400,900	414,736,900	446,677,500
TRADE BALANCE		(13,210,700)	(10,495,600)	(149,336,800)	(115,940,800)

Feb. trade deficit up

Value of vehicle imports jumps 14.2%

WASHINGTON — The U.S. automotive trade deficit in passenger cars and light trucks expanded 14.2 percent in February due to falling exports and rising imports. Import value surged 9.5 percent, while the value of exports dropped 8.9 percent for the month, compared with the year-earlier period.

February's increase in the automotive trade deficit followed a 3.1 percent decrease in January.

For the 12 months ending in February, the deficit stood at $43.93 billion compared with a $45.46 billion deficit for the 12-month period ending in February 1988.

For February 1989, U.S. Commerce Department figures show a trade deficit for passenger cars and light trucks of $3.97 billion, compared with a $3.48 billion a year earlier.

Total car and truck imports were valued at $4.78 billion during the month, compared with exports of $809 million.

Passenger-car exports totalled 48,999 vehicles with an estimated value of $610.0 million in February. Light-truck exports totaled 17,515 units with an estimated value of $199.0 million.

Passenger-car exports were up 114.8 percent to Japan and 43.2 percent to nations labeled "others" by the Commerce Department. Exports to Canada were off 40.2 percent.

On the import side for the month, Japan registered an 8.8 percent increase in the number of cars shipped to the United States. The value of those imports were up 14.2 percent for the month. Both the value and quantity of Japanese truck imports declined.

Total car and truck imports from all nations had a value of $4.78 billion in February, up 9.5 percent from the $4.36 billion recorded in February 1988. There were 450,273 finished vehicles imported to the United States in February 1988.

Imports of passenger cars reached 372,585 units for the month with a value of $4.03 billion. Light-truck imports totaled 77,688 units, with a value of $750.9 million. The value of imported trucks surged 28.5 percent from one year ago, while shipments increased 6.2 percent, largely on the strength due to a 62.5 percent increase in the value of trucks shipped from Canada.

Canada sent 39,622 trucks to the United States in February 1989, compared with 27,035 trucks in February one year ago.

Sweden posted a 104.9 percent increase in car imports to the United States in February, sending 10,979 cars here.

Japan also increased car shipments with an 8.8 percent increase to 170,600 units.

Canada imported 4.7 percent more cars to the United States in February, while the United Kingdom boosted import car volume by 4.3 percent.

Mexico shipped 13,710 cars to the United States in February, a 6 percent increase from one year ago. Shipping fewer cars in January were: West Germany, off 11.5 percent; South Korea, 29.8 percent; Yugoslavia, 61.6 percent; Italy, 39.5 percent; and Brazil, 42.6 percent.

Ogilvy purchase adds to WPP's auto accounts

NEW YORK — When the British advertising conglomerate WPP Group purchased the Ogilvy Group of advertising agencies this month for $864 million, it added a number of international automotive accounts to its portfolio.

The Ogilvy Group's accounts include the estimated $20 million Ford parts and service business in the United States and Ford advertising accounts in Austria, Belgium, Denmark, France, Great Britain, Italy, the Netherlands, Spain, Sweden and Switzerland.

Ogilvy also owns 75 percent of Scali, McCabe, Sloves of New York, the agency for Volvo Cars of North America. Scali, McCabe also has controlling interest in Fallon, McElligot of Minneapolis, agency for Porsche Cars North America, and the Martin Agency of Richmond, Va., agency for Maserati.

WPP also owns J. Walter Thompson, agency for Ford Division and several overseas Ford subsidiaries.

Spokesmen for Ford and Volvo said there will be no changes in the United States as a result of the takeover.

But Doug McClure, executive director of Ford Motor Co.'s marketing staff, said WPP's Conquest Europe $25 million Alfa Romeo European account and Ogilvy & Mather's Ford of Europe assignments would be a "definite problem" of overlapping accounts. He said the issue hasn't been resolved.

— Laura Clark and Pat Sinnad

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Europeans study U.S. light-truck phenomenon

By Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

FRANKFURT, West Germany — The garageable van concept took the United States by storm five years ago, but Europe is still waiting to see if the same phenomenon unfolds here.

In Europe, trucks are used more for commercial purposes than personal transportation. But DRI-Europe, a research group, recently predicted that Europe's light-truck segment will grow in importance, boosted in part by burgeoning minivan and sport-utility sales.

DRI-Europe Senior Analyst Edmund Chew estimates there were about 1.5 million vehicles registered in Western Europe's light-truck classes during 1988. By the mid-1990s, the figure is likely to be at least 2.25 million, he said.

Nearly every European manufacturer is known to have a small van under study if not in the pipeline. Among them are General Motors of Europe, Ford of Europe, Volkswagen AG, Fiat S.p.A. and Mercedes-Benz.

At DRI's recent European Trucks Outlook Conference here, Chew said West European demand for light trucks grew 16.5 percent between 1986 and 1988. "Light trucks" are defined as commercial vehicles up to 3.5 metric tons GVW, plus some vans registered as station wagons in West Germany. That compares with overall market growth of 12.4 percent during the same period.

Chew said the light-truck category increasingly reflects new segments of demand that are replacing traditional car demand.

"Where changes are expected to occur on a dramatic scale is in the sport-utility and minivan segments," he said.

Chew noted that the United States and European light-truck segments have taken different paths since 1980, when U.S. truck production was little more than that of Europe. Last year, sales of trucks below 6 metric tons totaled 1.42 million units in Europe, compared with 4.9 million in Classes 1 through 3 in the United States.

Much of that U.S. growth has come from new products that appeal to younger, wealthier buyers, which corresponds to a growing young and affluent demographic pattern emerging in Europe.

"Prices do point to the fact that minivans and sport-utilities are being increasingly targeted to wealthy individuals, and the image they are being sold with is a fairly exciting and more fashionable alternative second vehicle," Chew said.

In addition, Chew said an expected increase in consumer spending in Europe will move more buyers into leisure-oriented segments.

"We have reports of new minivans or multipurpose vehicles from most of the big European carmakers," Chew said. "We can expect more models and a refinement of concepts after the fashion of the U.S. market. We think these new concepts and new vehicles will be sufficient to transport the market."

Ford of Europe officials have said they are looking at minivan prospects for Europe, including possible co-development of a vehicle with North American automotive operations. A joint minivan production venture with Mazda in Europe is also thought to be under consideration.

But recent reports in Germany suggest Ford may have put a European minivan on the back burner, citing lack of buyer interest in a competitor for the Renault Espace and Mitsubishi Space Wagon. A spokeswoman at Ford of Germany in Cologne declined to comment on Ford's minivan plans.

General Motors is expected to bring out a high-roof van based on its next-generation Kadett, due in 1991 or 1992. The new van, which also may be marketed by GM in the United States, could be produced in Europe.

Mercedes-Benz is studying its own upscale small van. The vehicle would likely be based on Mercedes' mid-range platform.

At Mercedes' recent press launch for the new SL, Herman Gaus, who is in charge of total vehicle development at Mercedes, said no decision has been made on whether to go ahead with a small van. But he said a minivan may find increasing acceptance in West Germany — Europe's largest market — if authorities impose an autobahn speed limit, as has been suggested.

BMW also admits eyeing the luxury minivan market.

Elsewhere, VW will launch its new T-4 Transporter replacement early next year and reportedly plans to have a passenger version to compete with the Espace and Mitsubishi Space Wagon.

Meanwhile, Alfa Romeo has been assigned the role of developing a new minivan concept for the Fiat Group, possibly based on the Tipo platform that will spawn several new Fiat, Lancia and Alfa models during the next several years.

Last year, Renault upgraded its Matra-built Espace minivan by adding a four-wheel-drive version with viscous coupling and anti-lock brakes.

VAN

FROM PAGE 3

tion has not been finally ruled out.

General Motors do Brasil has invested heavily to begin production of a modified version of the Kadett, and the expansion put the Brazilian affiliate in the running for the minivan project.

But Portugal and Belgium are now considered candidates. GM operates an assembly plant in Azambuja, Portugal, that produces Kadetts for the local market as well as some Kadett-based utility vehicles and Bedford vans and light pickups. The plant employs about 800.

GM closed one of its two plants in Antwerp, Belgium, last year to consolidate production of the new Opel Vectra at the newer one. But GM Europe President Robert Eaton has said the mothballed plant could be reopened to help alleviate capacity constraints in Europe.

Portugal and Antwerp were contenders for a version of Isuzu's new Amigo sport-utility vehicle that will be built by IBC Vehicles in Luton, England. IBC is a joint venture between GM and Isuzu.

There have also been rumors that the minivan might be built in Korea, though European sources could not confirm that possibility.

The six-passenger minivan will use a platform derived from the next Kadett subcompact, due in 1992. The Opel insider described the vehicle as "a people-mover, a Renault Espace-type vehicle, with high roof and high seats."

He said it will resemble GM's forthcoming front-wheel-drive APV vans in the United States and will be offered with four-wheel drive, possibly using the sophisticated new system co-developed with Steyr-Daimler-Puch that recently debuted on the Vectra.

Incentives boost sales in mid-May

By Philly Murtha
AUTOMOTIVE NEWS STAFF REPORTER

Buoyed by a plethora of incentives, mid-May sales of U.S.-built cars and light trucks posted a year-to-year gain.

In the May 11-20 period, deliveries of domestic vehicles rose 5.79 percent to 355,758 units from 336,276 last year. Both periods had nine selling days.

The eight domestic car manufacturers sold 223,897 cars in mid-May vs. 216,325 in the same period of 1988. That was an increase of 3.50 percent or 7,572 units.

Light-truck sales moved ahead even more. The four domestic light-truck makers sold 131,861 units, 9.93 percent more than 119,951 in the year-ago period.

Five of the seven makers that were selling domestic cars both years reported gains in mid-May. Ford Motor Co. delivered 2.78 percent more cars in the period thanks to gains by Lincoln and Mercury.

General Motors sold 2.61 percent more cars. Cadillac reported a year-to-year gain of 42.66 percent, and Buick sales jumped 22.26 percent.

Chrysler Motors' 10-day car sales were virtually unchanged from last year's. Plymouth and Dodge reported slight gains.

Among the transplants, Toyota and Honda were the big winners. Toyota sold 2½ times as many U.S.-built cars as it did last year. Camry sales from its new Georgetown, Ky., plant accounted for the advance. Honda sold 26.50 percent more U.S.-built Accords and Civics than in 1988.

DOMESTIC CAR SALES

	May 11-20, 1989	May 11-20, 1988
Eagle	1,415	1,490
Chrysler	6,559	7,132
Plymouth	8,545	8,106
Dodge	13,880	13,620
Chrysler Motors	30,399	30,348
Ford	46,458	48,261
Mercury	15,752	13,308
Lincoln	6,333	5,122
Ford Motor Co.	68,543	66,691
Buick	16,401	13,415
Cadillac	10,207	7,155
Chevrolet	39,919	43,642
Oldsmobile	19,048	18,591
Pontiac	21,479	21,527
General Motors	107,054	104,330
Volkswagen	—	1,234
Honda	10,178	8,046
Nissan	1,312	2,829
Toyota	4,572	1,805
Mazda	985	992
Mitsubishi	854	—
U.S. Car Total	223,897	216,325

Mazda delivered seven fewer U.S.-built cars in mid-May than it did a year ago, and Nissan sold about half as many U.S.-built cars as it did in 1988. But year-to-date sales of Nissan's U.S.-built Sentras are 10.88 percent ahead of its 1988 tally.

Mitsubishi, the newest transplant, sold 854 Eclipse models in early May. Sales of Eclipses built at the Diamond-Star Motors plant in Illinois began in February.

There was a wide swing of gains and losses in light-truck sales in mid-May. GM's light-truck sales climbed 33.48 percent and Ford's rose 6.09 percent. Conversely, Nissan's light-truck sales dived 34.45 percent, and Chrysler's were off 8.36 percent.

GM's combined car and light-truck sales rose 11.17 percent in the 10-day period, and Ford's went up 4.06 percent.

Chrysler and Nissan reported declines. Chrysler's combined car and truck-deliveries slipped 4.37 percent, and Nissan's fell 43.22 percent below the equivalent year-ago period.

Another rental firm for Chrysler

Thrifty to buy Snappy, giving automaker new market

By Charles M. Thomas
AUTOMOTIVE NEWS STAFF REPORTER

When Thrifty Rent-A-Car System completes its acquisition of Snappy Car Rental for $40 million, it will give the company a foothold in the growing $1.7 billion insurance replacement market.

Snappy, based in Mayfield Heights, Ohio, also will give Chrysler Corp. another captive customer for its vehicles.

Chrysler announced 10 days ago it is buying Thrifty for $263 million. Last Wednesday, the automaker began its tender offer for all outstanding shares of Thrifty common stock at $27.75 per share.

Thrifty, headquartered in Tulsa, Okla., is on the acquisition trail. Gerald Greenwald, Chrysler vice chairman, made it clear that Chrysler plans to expand Thrifty, hinting at additional purchases of car rental companies.

But in this instance, a Thrifty spokeswoman said the acquisition of Snappy was already under way when serious talks with Chrysler began.

For the Big 3 automakers, ownership of daily rental companies makes sense. The rental industry purchases about 10 percent of total U.S. car production. That represents more than $9.2 billion in revenue to domestic automakers and makes rental car companies their biggest customers.

An ownership stake gives an automaker a captive customer. Hence, General Motors has a stake in Avis Inc. and National Car Rental Systems Corp. And Ford Motor Co. owns part of Hertz Corp. and Budget Rent a Car Corp.

Snappy will replace an estimated 10,000 vehicles next year. Chrysler vehicles currently account for about 50 percent of its fleet.

Snappy was founded in 1973 and is considered the third largest car rental company specializing in the insurance replacement market with approximately 20,000 cars operating from 250 locations.

"Snappy Car Rental has an excellent name and reputation in the insurance replacement segment of the car rental industry and will continue to operate separately under the Snappy brand name," said William E. Lobeck Jr., chairman of Thrifty.

For the fiscal year ended March 31, 1989, Snappy expects to report a net loss on revenue of approximately $134 million. The loss is due to the company's entry into the airport car rental market last year.

"The company's expertise was in the insurance replacement market," said the Thrifty spokeswoman. "It didn't have the capital required to enter the daily rental market. Snappy was profitable the previous five years."

Snappy will withdraw from the airport rental car market to concentrate on its core business — insurance replacement vehicles.

The company rents to people whose vehicles are stolen, damaged or being repaired. Rates are negotiated with insurance companies and are normally 35 to 50 percent lower than rates charged by airport rental companies.

Other differences are that airport daily rental car companies replace their vehicles every few months while insurance replacement companies turn over their vehicles every 12 to 18 months.

The average rental for an airport vehicle is 2.5 days while an insurance rental averages 20 days, the Thrifty spokeswoman said.

"The acquisition will enable us to get into a segment of the market that is growing at a rapid clip," she said. "It will also allow us to combine our vehicle purchasing power."

Snappy is a closely held company. Its chairman and founder, Sanford Miller, will remain with the company as a consultant.

Tecoplan readies two-seater for Hungary build, U.S. sales

FRANKFURT, West Germany — Tecoplan, a Munich-based design and development firm, plans to begin production in Hungary next year of a small two-seater the company would like to sell in North America.

The Leo urban concept vehicle, which debuted at the 1988 Geneva auto show, will be produced in a joint venture with Ikarus, a bus manufacturer. It will be sold in Hungary and throughout Western Europe.

Production is due to begin in late 1990 with plans to build about 2,000 the first year, the company said.

The car has a steel chassis and fiberglass body designed by Target Design, a Bavarian firm. Power will be provided by a 34-horsepower 770-cc Fiat engine.

The price will be about 15,000 marks ($7,610). Standard equipment will include electric windows, air conditioning and leather interior.

PRODUCTION

FROM PAGE 1

centives that are already in effect. Ford and GM began the process last week by adding models, sweetening deals and extending the periods of the incentives. (Related story begins on Page 2.)

One GM insider who is knowledgeable about the marketing situation said rebates of $2,000 to $3,000 a vehicle are possible.

Another company insider said the super-low interest rates could be applied to the more popular 48-month contracts. Few customers now choose the zero and under-3-percent interest rates because they are available only on 24-month loans. Dealers have been urging automakers to offer lower rates on four-year loans.

Said Bernard Campbell, director of automotive services for Data Resources Inc. of Lexington, Mass.: "The automakers have one of two choices to keep inventory levels in line with sales — either cut third-quarter production schedules or offer a blow-out incentive of 0 percent financing for three years or 2.9 percent financing for four years."

The Big 3 soon will be outlining their year-end cleanup plans to dealers.

GM and Ford already have told dealers that they will not pay the traditional 5 percent carryover allowance. The companies used to pay dealers 5 percent of the retail price of the base car and factory-installed options on each previous-model-year vehicle remaining in the dealer's inventory when the next model year starts. That 5 percent has been cut from time to time in recent years to pay for massive year-end incentives.

If incentives don't stimulate sales above the present 9.5 million seasonally adjusted rate and inventories build up, analysts predict automakers could start slicing production schedules of the 1990 models in August and September.

At GM, four plants produce models that will be undergoing changes for the 1990 model year. Those plants will be shut down longer than the traditional one week.

GM's Willow Run, Mich., plant is scheduled for the longest shutdown this year as the company prepares the plant for the redesigned 1991 Chevrolet Caprice. Pontiac Bonneville has been moved to the Wentzville, Mo., plant.

A redesign and lengthening of the Oldsmobile Toronado will take place as GM shuts its Detroit-Hamtramck plant for about 40 days. The changeover isn't the only reason for the long shutdown: On May 1, the Toronado's inventory represented a 184-day supply.

A 30-day shutdown is planned for GM's Kansas City, Mo., plant to prepare for production of the Pontiac Grand Prix sedan.

GM's Doraville, Ga., plant, which builds Oldsmobile Cutlass Supreme, will add a four-door version during a 25-day shutdown. On May 1, Cutlass Supreme inventory was a hefty 128 days.

GM has slated long shutdowns at these plants solely because of high inventories: Reatta Craft Centre, Lansing, Mich., 50 days; Van Nuys, Calif., 30 days; Flint, Mich., 18 days; and Linden, N.J., 15 days.

Ford's Wayne, Mich., plant is scheduled for a 59-working-day model changeover, starting in November. When the plant resumes output in late February, it will assemble the redesigned Ford Escort.

The Wayne plant will be closed the week of June 5 because of high inventories of Escorts, and the Edison, N.J., facility, also an Escort assembly point, was down last week and is down again this week for the same reason. It is the first time in six years that Ford has closed plants because of high inventories.

Shutdowns at Chrysler plants this summer are about the same as last summer except at Belvidere, Ill., where the plant will retool for the new Y-body cars in September. The Y-bodies are the Chrysler Fifth Avenue and Chrysler Imperial.

Chrysler said last week it has canceled plans to add a second shift to its Jefferson Avenue assembly plant in Detroit, which builds the L-body Dodge Omni/Plymouth Horizon.

An estimated 1,600 hourly workers, therefore, will remain on indefinite layoff.

But Chrysler will add 200 workers to the first shift to permit a production boost to 470 cars daily from 352.

SHUTDOWN DATES FOR U.S. CAR ASSEMBLY PLANTS

Plant	Model changeover/vacation dates (Tentative)	1990 product	Days Shut 1989	Days Shut 1988
GENERAL MOTORS				
Arlington, Texas	Weekend change July 28 to Aug. 1	Cadillac Brougham, Oldsmobile Custom Cruiser and Chevrolet Caprice	4	0
Bowling Green, Ky.	Aug. 2 to Aug. 8	Chevrolet Corvette	5	0
Detroit (Detroit-Hamtrack plant)	June 16 to Aug. 11; Allante changeover Aug. 15 to Sept. 6	Oldsmobile Toronado; Buick Riviera; Cadillac Eldorado, Seville and Allante	15*	10
Doraville, Ga.	June 2 to July 10	Oldsmobile Cutlass Supreme	25	14
Flint, Mich. (Buick City)	July 12 to Aug. 7	Buick LeSabre, Oldsmobile 88 Royale	18	5
Framingham, Mass.	Will close indefinitely by August	Chevrolet Celebrity, Oldsmobile Cutlass Ciera	-	34
Janesville, Wis.	Aug. 8 to Aug. 10	Chevrolet Cavalier	3	5
Kansas City, Mo. (Fairfax)	June 2 to July 17	Pontiac Grand Prix	30	10
Lakewood, Ga.	Weekend changeover July 28 to July 30	Chevrolet Caprice, Buick Estate Wagon	0	0
Lansing, Mich. (Plant 1)	July 21 to July 28	Pontiac Grand Am	5	10
Lansing, Mich. (Plant 2)	July 19 to Aug. 11	Oldsmobile Cutlass Calais, Buick Skylark	18	20
Lansing, Mich. (Craft Centre)	June 2 to Aug. 11	Buick Reatta	50	0
Linden, N.J.	July 14 to Aug. 7	Chevrolet Beretta and Corsica	15	10
Lordstown, Ohio	Aug. 3 to Aug. 7	Chevrolet Cavalier, Pontiac Sunbird	5	10
North Tarrytown, N.Y.	Currently in pilot production, regular production to begin sometime in June	Oldsmobile Silhouette, Pontiac Trans Sport, Chevrolet Lumina APV	-	11
Oklahoma City, Okla.	July 27 to July 31	Oldsmobile Ciera, Pontiac 6000, Buick Century	5	5
Orion Township, Mich.	June 30 to July 20	Oldsmobile 98 Regency, Buick Electra, Cadillac Deville, Cadillac Fleetwood	14	17
Van Nuys, Calif.	June 30 to Aug. 11	Chevrolet Camaro, Pontiac Firebird	30	15
Wentzville, Mo.	June 30 to July 31	Oldsmobile Delta 88, Buick Electra, Pontiac Bonneville	20	8
Ypsilanti, Mich. (Willow Run)	Down through December	changing over to Chevrolet Caprice	140	10
Wilmington, Del.	July 31 build out, rolling changeover	Chevrolet Beretta and Corsica	0	10
FORD MOTOR CO.				
Atlanta	July 3 to July 17 (vacation) Model change not available	Ford Taurus, Mercury Sable	10	10
Chicago	July 3 to July 17 (vacation)	Ford Taurus, Mercury Sable	10	10
Dearborn, Mich.	July 3 to July 17 (vacation)	Ford Mustang	10	10
Edison, N.J.	July 3 to July 17 (vacation)	Ford Escort	10	10
Kansas City, Mo.	July 3 to July 17 (vacation) Model change not available	Ford Tempo, Mercury Topaz	10	10
Lorain, Ohio	July 3 to July 17 (vacation) July 28 to July 30 (weekend changeover)	Ford Thunderbird, Mercury Cougar	13	59
Wayne, Mich.	July 3 to July 17 (vacation) Nov. 22 to Feb. 26, 1990 changeover to reskinned Escort	Ford Escort	59	10
Wixom, Mich.	July 3 to July 17	Lincoln Town Car, Mark VII and Continental	10	10
CHRYSLER MOTORS				
Belvidere, Ill.	July 10 to July 21	Dodge Dynasty. Chrysler New Yorker Salon and Imperial models to be added in September	10	15
Detroit, Mich. (Jefferson Ave.)	Aug. 28 to Sept. 1	Dodge Omni and Plymouth Horizon	5	20
Newark, Del.	July 10 to July 21	Dodge Spirit, Plymouth Acclaim	10	80
St. Louis, Mo.	Weekend changeover June 9 to July 12	Dodge Daytona, Chrysler LeBaron J	3	5
Sterling Heights, Mich.	July 10 to July 21	Plymouth Sundance, Dodge Shadow	10	5
HONDA OF AMERICA MANUFACTURING				
Marysville, Ohio	Rolling changeover; July 3 to July 7 vacation	Civic and Accord	0	5
NISSAN MOTOR MANUFACTURING CO. U.S.A.				
Smyrna, Tenn.	July 3 to July 17 (vacation)	Sentra	10	10
NEW UNITED MOTOR MANUFACTURING INC.				
Fremont, Calif.	No shutdown	Chevrolet Geo Prizm, Toyota Corolla FX	0	5
TOYOTA MOTOR MANUFACTURING U.S.A.				
Georgetown, Ky	No shutdown	Camry	0	-
DIAMOND-STAR MOTORS				
Normal, Ill.	July 3 to July [illegible] (vacation)	Plymouth Laser, Mitsubishi Eclipse, Eagle Talon; Eagle Summit and Mitsubishi Mirage to be added in the fall	5	-

*Plus 17 days for Atlanta line

PRODUCTION

U.S. output dips as Ford closes plant

By Kathy Boyer
AUTOMOTIVE NEWS STAFF REPORTER

The softening of the new-car market in the United States became apparent last week as Ford Motor Co. announced it will close plants to cut inventories for the first time since 1983.

Last week's targeted domestic auto production totaled 147,204 units, 7.70 percent below the prior week and 9.02 percent below the year-ago week.

So far this year, 3,162,708 cars have been assembled in the United States, 5.41 percent more than last year at this point.

Of the Big 3, only General Motors is outpacing last year's production. Each of the transplants has produced more cars this year than last.

Truck output was targeted at 86,732 units last week, 3.61 percent below the prior week but 2.36 percent more than the year-ago week.

So far this year, 1,882,948 trucks have been built, 5.88 percent more than last year at this time.

Citing softness in the subcompact market, Ford shut its Edison, N.J., assembly plant for two weeks beginning May 22. The plant produces Escort. Its Wayne, Mich., plant, which also builds Escort, will be shut the week beginning June 5.

Ford also said it and the UAW have reached an agreement under which the company will give workers "maximum practical notice" before shutdowns. In the past, shutdowns usually were announced on the Wednesday preceding a plant closing.

Chrysler Motors last week canceled plans to add a second shift to its Jefferson Avenue assembly plant in Detroit, where Dodge Omni and Plymouth Horizon are built. It will, however, add 200 workers to the first shift at Jefferson to boost production to 470 daily from 352.

The company scheduled four assembly plants for overtime this week. Slated to operate two nine-hour daily shifts are Newark, Del.; Toledo, Ohio; St. Louis Assembly Plant No. 2; and Dodge City Truck Plant, Warren, Mich.

Canada builds more trucks

Scheduled Canadian truck production rose last week, but car output was mixed — higher than the prior week but lower than the year-earlier week.

Canada's truckmakers were scheduled to produce 17,588 trucks last week, up 5.88 percent from the prior week's 16,611 and up 10.78 from the year-earlier week's total of 15,877. Truck production is outpacing 1988 by 4.64 percent.

The week's car production of 19,827 climbed 10.14 percent from the prior week's 18,001 but fell 8.57 percent from the year-earlier week's 21,685. This year's car production is 15.47 percent short of last year's pace.

General Motors' Oshawa, Ontario, plant will operate Saturday. It is the only Canadian plant with overtime scheduled.

U.S. CAR	Week Ended May 27, 1989	Week Ended May 28, 1988	Week Ended May 20, 1989	May to Date	Jan. 1 to May 27, 1989	Jan. 1 to May 28, 1988
Horizon	700	2,167	850	3,169	7,174	39,977
Sundance	2,500	2,052	2,720	10,315	50,020	43,903
Reliant	0	2,843	0	0	0	43,346
Acclaim	2,800	0	3,303	11,354	51,263	0
Caravelle	0	605	0	0	0	8,999
Gran Fury	0	415	0	0	0	5,441
Total Plymouth	6,000	8,082	6,873	24,838	108,457	141,666
LeBaron K	0	391	0	0	0	7,964
LeBaron J	2,700	2,276	2,776	11,201	50,531	30,540
LeBaron GTS	0	257	0	0	2,946	3,765
N. Yorker C-Class	1,600	2,774	1,984	7,685	47,761	49,887
Fifth Avenue	0	280	0	0	0	13,835
Total Chrysler	4,300	5,978	4,760	18,886	101,238	104,291
Omni	900	2,055	940	3,783	8,433	39,854
Daytona	1,800	2,272	1,867	7,452	43,396	29,679
Shadow	2,200	2,375	2,145	8,877	48,902	46,208
Aries	0	2,418	0	0	0	36,451
Dodge 600	0	456	0	0	0	7,986
Dynasty	300	2,225	3,424	13,193	67,297	46,976
Lancer	0	136	0	0	1,528	4,514
Spirit	0	0	2,993	10,148	47,654	0
Diplomat		257	0	0	0	9,904
Total Dodge		12,194	11,369	43,453	217,210	221,572
CHRYSLER MOTORS		26,254	23,002	87,177	426,905	467,529
Escort	5,[illegible]	9,449	8,494	31,276	146,208	156,334
Mustang	4,159	4,244	3,699	15,321	96,095	89,856
Tempo	3,023	3,941	3,022	11,664	67,223	84,607
Taurus	7,993	8,424	7,918	31,898	167,132	170,098
Thunderbird	3,304	3,522	3,233	12,627	73,080	67,913
Total Ford Div.	23,959	29,580	26,366	102,786	549,738	568,808
Topaz	1,380	1,548	1,488	6,269	30,088	31,494
Cougar	2,201	2,345	2,334	10,676	62,281	51,160
Sable	2,519	3,469	2,515	10,297	54,575	59,877
Total Mercury	6,100	7,362	6,337	27,242	146,944	142,531
Continental	1,439	947	1,443	5,751	30,654	19,363
Mark VII	480	475	467	1,576	11,031	10,774
Lincoln	2,881	2,878	2,867	10,730	56,363	62,278
Total Lincoln	4,800	4,300	4,777	18,057	98,048	92,415
Total L-M Division	10,900	11,662	11,114	45,299	244,992	234,946
FORD MOTOR CO.	34,859	41,242	37,480	148,085	794,730	803,754
Skyhawk	248	0	337	1,122	6,857	11,350
Skylark/Somerset	1,410	1,579	1,419	5,640	24,416	19,269
Century	2,855	3,634	2,796	10,670	51,795	43,495
Riviera	0	128	337	986	10,418	2,921
Electra	2,308	2,092	2,317	7,171	36,255	36,177
LeSabre (fwd)	4,320	2,500	4,550	18,541	65,040	54,186
LeSabre (rwd)	60	261	65	267	3,515	4,179
Reatta	199	187	205	801	2,993	2,334
Total Buick	11,400	10,381	12,026	44,998	201,280	173,911
Cimarron	0	0	0	0	0	3,696
Eldorado	0	1,020	965	2,891	16,301	17,799
Seville	0	621	730	2,126	11,984	11,150
Brougham (rwd)	710	977	619	2,573	17,000	15,825
Deville (fwd)	4,105	3,563	4,141	16,510	93,755	77,651
Allante	75	58	0	225	1,378	1,034
Total Cadillac	4,890	6,239	6,475	24,325	140,418	127,155
Cavalier	6,886	7,277	8,301	31,371	166,897	147,604
Camaro	2,900	2,348	2,783	11,155	52,999	35,994
Celebrity	1,965	5,077	1,975	7,932	57,957	75,004
Corsica/Beretta	8,960	9,042	8,447	34,340	178,380	171,697
Caprice	4,470	3,844	4,061	16,647	86,212	82,264
Corvette	560	444	560	2,240	11,129	9,041
Total Chevrolet	25,741	28,032	26,127	103,685	553,574	521,604
Calais	2,190	3,024	2,235	8,786	41,305	48,625
Firenza	0	0	0	0	0	5,220
Cutlass Ciera	1,560	1,050	1,879	7,147	36,129	1,882
Cutlass Supreme	3,670	4,229	3,702	14,459	48,719	88,891
Tornado	0	413	202	594	4,255	7,853
88 (fwd)	2,873	3,400	5,224	16,701	70,697	71,000
88 (rwd)	200	207	194	783	3,425	5,451
Olds 98	1,095	1,596	1,112	4,138	36,819	35,565
Total Oldsmobile	11,588	13,919	14,548	52,608	241,349	264,487
Sunbird	3,126	2,253	3,714	13,679	65,566	45,629
Grand Am	4,800	5,277	4,867	20,701	106,684	103,962
Firebird	1,240	1,690	1,325	5,101	29,523	26,632
Grand Prix	3,975	3,455	4,000	15,975	66,352	50,950
Pontiac 6000	1,100	1,888	1,151	5,066	38,006	33,417
Bonneville	739	2,752	2,209	7,502	42,374	47,133
Safari/Parisienne	150	237	129	556	2,411	3,786
Fiero	0	450	0	0	0	8,685
Total Pontiac	15,130	18,002	17,395	68,580	350,916	320,194
GENERAL MOTORS	68,749	76,573	76,571	294,196	1,487,546	1,407,351
DIAMOND-STAR	1,271	0	886	4,658	18,738	0
HONDA	7,520	7,409	7,809	30,786	161,335	155,169
Civic	2,353	2,337	2,590	10,143	54,213	40,899
Accord	5,167	5,072	5,229	20,643	107,122	114,270
MAZDA†	4,466	2,356	4,485	17,849	99,462	34,946
NISSAN	2,734	2,664	2,494	10,015	48,051	40,624
NUMMI	4,000	3,336	4,231	16,743	83,065	67,606
Corolla	1,600	1,203	1,662	6,536	33,747	24,863
Geo Prizm/Nova	2,400	2,133	2,569	10,207	49,318	42,743
TOYOTA	3,005	0	2,521	9,966	42,876	0
VOLKSWAGEN	0	1,968	0	0	0	23,512
Golf/GTI	0	1,968	0	0	0	17,959
Jetta	0	0	0	0	0	5,553
Total Cars, U.S.	147,204	161,802	159,479	619,475	3,162,708	3,000,491
Total Cars, Canada	19,827	21,685	18,001	79,253	416,207	492,402
U.S., Canada Cars	167,031	183,487	177,480	698,728	3,578,915	3,492,893
U.S., Canada Cars and Trucks	271,351	284,089	284,070	1,133,197	5,880,512	5,671,388

Monthly estimates may contain error of one or two units due to rounding.
†—Total includes the MX-6 and Ford Probe.

CANADIAN CAR	Week Ended May 27, 1989	Week Ended May 28, 1988	Week Ended May 20, 1989	May to Date	Jan. 1 to May 27, 1989	Jan. 1 to May 28, 1988
Premier	1,020	1,083	1,052	3,371	18,256	30,571
CHRYSLER MOTORS	1,020	1,083	1,052	3,371	18,256	30,571
Tempo	2,688	3,349	0	6,061	62,764	86,042
Topaz	1,152	946	0	2,596	26,544	28,943
Crown Victoria	2,307	2,223	2,943	11,078	56,210	58,368
Grand Marquis	2,253	2,252	2,867	10,869	62,106	57,966
FORD MOTOR CO.	8,400	8,770	5,810	30,604	207,624	231,319
Celebrity	796	553	860	2,965	6,856	8,739
Cutlass Ciera	2,052	6,149	2,700	10,651	72,757	113,554
Lumina	3,614	0	3,146	14,990	36,186	0
Pontiac 6000	0	1,302	0	0	0	22,126
Regal	2,135	2,861	2,195	8,085	32,729	29,067
GENERAL MOTORS	8,597	10,865	8,901	36,691	148,528	213,486
Civic	1,320	549	1,696	6,406	25,124	2,257
Accord	0	274	0	0	9,021	11,949
HONDA	1,320	823	1,696	6,406	34,145	14,206
TOYOTA	350	0	362	1,501	4,055	0
VOLVO	140	144	180	680	3,599	2,820
Total Cars, Canada	19,827	21,685	18,001	79,253	416,207	492,402

U.S. TRUCK☆	Week Ended May 27, 1989	Week Ended May 28, 1988	Week Ended May 20, 1989	May to Date	Jan. 1 to May 27, 1989	Jan. 1 to May 28, 1988
Caravan	2,000	1,886	2,482	9,149	47,363	42,202
Dakota	2,300	2,168	2,394	9,706	48,350	50,044
Caravan C/V	100	337	111	450	3,894	6,620
Ram pickups	2,300	2,172	2,396	9,738	48,380	28,733
Total Dodge	6,700	6,563	7,383	29,043	147,987	127,599
Cherokee	4,600	3,591	5,543	20,388	98,799	76,119
Comanche	500	845	665	2,359	13,873	20,145
Grand Wagoneer	300	340	0	650	5,723	6,360
Wagoneer	100	248	132	468	3,897	5,507
Total Jeep	5,500	5,024	6,340	23,865	122,292	113,331
Voyager	1,800	1,825	2,311	8,456	45,006	38,905
Town & Country	100	0	190	445	445	0
Total C-P Div.	1,900	1,825	2,501	8,901	45,451	38,905
CHRYSLER MOTORS	14,100	13,412	16,224	61,809	315,730	279,835
Aerostar	4,975	4,531	4,190	19,869	104,739	93,751
Bronco	1,444	1,301	1,683	6,213	36,156	25,995
Bronco II	2,401	2,460	2,528	10,015	56,093	58,403
Econoline	5,247	5,135	5,226	20,802	105,329	105,695
Heavy trucks	1,305	1,475	1,316	5,264	29,059	28,951
Light trucks	11,403	10,379	12,316	48,317	236,598	217,626
Ranger	6,032	7,782	5,964	25,178	148,197	154,974
Total Ford Div.	32,807	33,063	33,223	135,658	714,171	685,395
FORD MOTOR CO.	32,807	33,063	33,223	135,658	714,171	685,395
Astro	3,404	3,129	3,492	13,676	72,640	72,450
Blazer	547	512	649	2,351	11,965	11,694
Mediums/Heavies	0	544	0	0	1,312	7,724
P-Model	862	940	983	3,513	14,694	16,399
Pickups	7,820	6,756	8,210	31,685	170,080	140,947
S-10	5,055	5,854	4,672	19,795	116,254	122,309
S-10 Blazer	3,897	3,603	3,972	15,552	81,469	68,948
Sportsvan/Van	1,734	1,928	2,380	8,509	41,942	35,561
Suburban	1,544	1,402	1,828	6,600	33,305	31,127
Total Chevrolet	24,863	24,668	26,186	101,681	543,869	506,859
Jimmy	171	158	200	728	3,601	3,621
Mediums/Heavies	0	689	0	0	1,496	17,149
P-Model	106	170	132	431	1,907	2,353
Pickups	2,355	2,082	1,959	8,867	50,965	44,027
S-15	1,090	1,330	1,127	4,589	27,397	28,539
S-15 Jimmy	1,127	967	1,116	4,570	23,425	18,453
Safari	932	773	932	3,649	18,617	18,617
Suburban	611	617	720	2,613	13,403	14,827
Vandura/Rally Vans	788	552	648	2,561	11,646	15,849
Total GMC	7,180	7,338	6,834	27,988	152,457	163,435
GENERAL MOTORS	32,043	32,006	33,020	129,669	696,326	670,294
NAVISTAR	1,920	1,805	1,901	7,547	37,013	37,213
NISSAN	2,412	1,693	2,161	8,970	53,338	48,473
AM GENERAL	450	450	450	1,800	9,270	9,360
MISCELLANEOUS	3,000	2,300	3,000	12,000	57,100	47,840
Total Trucks, U.S.	86,732	84,729	89,979	357,453	1,882,948	1,778,410

CANADIAN TRUCK	Week Ended May 27, 1989	Week Ended May 28, 1988	Week Ended May 20, 1989	May to Date	Jan. 1 to May 27, 1989	Jan. 1 to May 28, 1988
Caravan	2,590	2,596	2,148	11,013	63,518	62,582
Caravan C/V	315	267	223	1,234	5,047	6,066
Ram Wagon	564	441	540	2,475	12,314	10,339
Ram Van	1,316	1,210	1,396	6,183	31,801	26,513
Total Dodge	4,785	4,534	4,307	20,905	112,680	105,500
Voyager	2,215	2,297	1,824	9,521	55,266	57,418
Total Plymouth	2,215	2,297	1,824	9,521	55,266	57,418
Wrangler	1,528	848	1,304	6,594	34,492	21,224
Total Jeep	1,528	848	1,304	6,594	34,492	21,224
CHRYSLER MOTORS	8,528	7,679	7,435	37,020	202,438	184,142
FORD MTR. (lt. trks.)	2,888	2,878	3,518	13,538	72,016	74,288
Light trucks	3,047	2,299	2,548	12,302	65,491	65,288
Vans	1,209	1,249	958	4,967	28,233	25,449
Total Chevrolet	4,256	3,548	3,506	17,349	93,724	90,737
Light trucks	1,130	1,044	1,321	5,567	31,335	32,060
Vans	546	517	561	2,491	13,857	14,288
Total GMC	1,676	1,561	1,882	8,058	45,192	46,348
GENERAL MOTORS	5,932	5,109	5,388	25,407	138,916	137,085
NAVISTAR	240	211	270	1,051	5,279	4,580
Total Trks., Canada	17,588	15,877	16,611	77,016	418,649	400,095
U.S., Canada Trks.	104,320	100,606	106,590	434,469	2,301,597	2,178,505

☆—Includes window van production. *—Estimated.
Jeep includes commercial only. AM General includes government-contract vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Monthly estimates may contain error of one or two units due to rounding.